

Dec. 20, 2017

## UCare to Implement New Standards for Unauthorized Provider Services

Effective for dates of service on or after Jan. 1, 2018, UCare will comply with [Minnesota statute §62Q.556](#) regarding the use of unauthorized provider services for *UCare Choices* products. Emergency services are exempt from the definition of unauthorized provider services. Specifically, UCare will seek to process member claims for covered medical services at in-network benefit levels when:

- Care is delivered by a non-participating provider while the member is at a participating hospital or ambulatory surgical center (e.g., when a participating provider sub-contracts with non-participating providers for covered services within their facilities).
- A participating clinic sends a lab specimen to a non-participating lab, pathologist or other testing facility for processing.
- Services received are part of a member's covered benefit set.
- Proper authorizations have been received (if required; see [Eligibility & Authorizations](#) page on UCare's provider website for related authorization grids).

### ***Identification of Non-Participating Provider Services Eligible for In-Network Benefits***

Because participating providers are currently not required to inform UCare of sub-contracted services, and because the non-participating claim may be received by UCare prior to the claim from the participating provider, proper identification is challenging. UCare will review the Service Facility submitted in Loop2310C - NM109 in the electronic claim submission for all non-participating claims to determine if the NPI submitted is at an in-network provider location.

Failure to properly identify the Service Facility on submitted claims could lead to initial processing with inappropriate member benefit levels, member dissatisfaction and additional administrative steps to rectify. Members who appeal a claim processed against out-of-network benefits from a non-participating provider who failed to properly identify the Service Facility in their initial claim will have the claim re-processed.

### ***Payment to Non-Participating Providers***

In accordance with the statute, UCare will pend identified claims and send a letter to the non-participating provider requesting to negotiate the final payment rate. The letter will:

- Identify the action steps needed to bring the claim to resolution as a "clean claim" so that payment can be issued. See [Minnesota statute §62Q.75](#) for additional information.
- Describe actions UCare will take if there is no responses (i.e., adjudicate at the standard non-par rate) or if parties cannot reach agreement.

If a non-participating provider fails to respond within 30 calendar days, providers without existing Qualified Health Plan (QHP) agreements will be reimbursed at UCare's standard non-participating rates.

Should a non-participating provider and UCare engage in negotiation and are unable to reach agreement, UCare will obtain the requisite Non-Disclosure Agreements and work with the non-participating provider to secure Mediation Services according to the statute.

UCare will regularly review non-participating provider claims for potential contracting opportunities to provide more seamless care for members and minimize the administrative burden associated with properly processing these non-participating provider claims associated with UCare's contracted provider's subcontractors.

Non-participating providers can also complete a [Provider Claim Reconsideration Request Form](#) to appeal the initial non-participating provider rate payment and negotiate a new payment in accordance with Section 13 of the statute. To ensure proper handling of these appeals, non-participating providers must do the following:

- Indicate the request as an **Appeal Request** (top of form).
- Complete all required fields.
- Indicate **Payment Dispute** as the Reason for Request *and* in the **Detailed Description for Request** section, indicate: ***Unauthorized Provider Service payment negotiation requested.***

Please note, UCare will be unable to process this request if the Service Facility information is missing on the original claim, or if the place of services information is not a participating provider in the member's network.

Should a non-participating provider appeal for a negotiated payment rate and UCare and the non-participating provider are unable to reach agreement, the legislation allows for arbitration. Costs for these services are shared equally between the non-participating provider and UCare.

UCare requests all participating providers share this information with all of their subcontractors, as some may be non-participating with UCare and impacted by this legislation. UCare has no other direct means of communicating with potential impacted providers because we do not currently require participating providers to disclose these types of relationships. With this new legislation, UCare will continue to explore ways to help consumers understand which participating network providers may subcontract for services so they can make informed choices and better understand their financial liabilities as they seek to maximize the benefits of their health plan coverage.